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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

COMMISSIONERS

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GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
CEDAR GROVE WATER, INC. FOR APPROVAL
OF A RATE INCREASE.

DOCKET NO. W-20541A-11-0199

RATE CASE
PROCEDURAL ORDER
(Schedules Hearing)

BY THE COMMISSION:

On May 17, 2011, Cedar Grove Water, Inc. ("Company" or "Applicant") filed with the Arizona Corporation Commission ("Commission") an application for an increase in its permanent rates and charges.

On May 20, 2011, the Company filed a letter stating that although the Company had requested revenues in excess of \$250,000, which will result in the Applicant being classified as a Class C water utility, the Company is requesting that its application be processed on the short form rate application which the Company used in its filing that is normally utilized in rate applications by Class D and Class E water utilities.

On June 16, 2011, pursuant to A.A.C. R14-3-103, the Commission's Utilities Division ("Staff") filed a letter indicating the Company's rate application was sufficient, and classifying the Company as a Class C utility.

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter shall commence on **November 10, 2011, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington Street, **Hearing Room No. 1**, Phoenix, Arizona.

IT IS THEREFORE ORDERED that the **Staff Report and/or any direct testimony** and associated exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and

1 filed on or before **October 7, 2011.**

2 IT IS FURTHER ORDERED that any **direct testimony and associated exhibits** to be
3 presented at hearing on behalf of intervenors shall be reduced to writing and filed on or before
4 **October 7, 2011.**

5 IT IS FURTHER ORDERED that any **rebuttal testimony and associated exhibits** to be
6 presented at hearing by the Company shall be reduced to writing and filed on or before **October 21, 2011.**

7 IT IS FURTHER ORDERED that any **surrebuttal testimony and associated exhibits** to be
8 presented by the Staff and/or intervenors shall be reduced to writing and filed on or before **October**
9 **28, 2011.**

10 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be
11 presented at the hearing shall be presented orally at the hearing.

12 IT IS FURTHER ORDERED that any **objections to any testimony or exhibits** shall be made
13 on or before **November 4, 2011.**

14 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to
15 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is
16 scheduled to testify.

17 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-105,
18 except that all motions to intervene must be filed on or before **August 23, 2011.**

19 IT IS FURTHER ORDERED that **discovery** shall be as permitted by law and the rules and
20 regulations of the Commission, except that: any objection to discovery requests shall be made within
21 seven days¹ of receipt and responses to discovery requests shall be made within ten days of receipt;
22 thereafter, objections to discovery requests shall be made within five days and responses shall be
23 made in seven days; the response time may be extended by mutual agreement of the parties involved
24 if the request requires an extensive compilation effort; and no discovery requests shall be served after
25 **September 23, 2011.**

26 ...

27
28 ¹ "Days" means calendar days.

1 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
 2 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
 3 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
 4 request, a procedural hearing will be convened as soon as practicable; and that the party making such
 5 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
 6 hearing provide a statement confirming that the other parties were contacted.²

7 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by
 8 the Commission within 10 days of the filing date of the motion shall be deemed denied.

9 IT IS FURTHER ORDERED that any responses to motions shall be filed within five days of
 10 the filing date of the motion.

11 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date
 12 of the response.

13 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in
 14 this matter, in the following form and style:

15 **PUBLIC NOTICE OF HEARING IN THE MATTER OF THE**
 16 **APPLICATION OF CEDAR GROVE WATER, INC. FOR**
 17 **APPROVAL OF A RATE INCREASE.**
(Docket No. W-20541A-11-0199)

18 On May 17, 2011, Cedar Grove Water, Inc. ("Company") filed an application with the
 19 Arizona Corporation Commission for an increase in its rates and charges. Copies of the
 20 Company's application and proposed tariffs are available at its office and the
 21 Commission's offices for public inspection during regular business hours.

22 The Commission will hold a public hearing on this matter beginning **November 10,**
 23 **2011, at 10:00 a.m.** at the Commission's offices, 1200 West Washington Street,
 24 Phoenix, Arizona. Public comments will be taken on the first day of the hearing.

25 The law provides for an open public hearing at which, under appropriate circumstances,
 26 interested parties may intervene. Intervention shall be permitted to any person entitled
 27 by law to intervene and having a direct and substantial interest in the matter. Persons
 28 desiring to intervene must file a written motion to intervene with the Commission no
 later than **August 23, 2011**. The motion to intervene must be sent to the Company or
 its counsel and to all parties of record, and shall contain the following:

1. The name, address, and telephone number of the proposed intervenor
 and of any party upon whom service of documents is to be made if
 different from the intervenor.

² The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.).
3. A statement certifying that a copy of the motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case. You will not receive any further notice of this proceeding unless you request it.

If you have any questions about this application, or want further information on intervention, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000 or 602-542-4251.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shaylin Bernal at SABernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that the **Company shall provide notice** as follows:

- by **publishing by July 22, 2011**, a copy of the above notice in a newspaper of general circulation in the service area; and
- by **mailing by July 22, 2011**, a copy of the above notice to each of its customers.

IT IS FURTHER ORDERED that the Company shall file certification of the provision of notice as soon as practicable after notice has been completed.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the Rules of the Arizona Supreme Court). Representation before the Commission includes appearances


1 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
2 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
3 Administrative Law Judge or the Commission.

4 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
5 Communications) continues to apply to this proceeding and shall remain in effect until the
6 Commission's Decision in this matter is final and non-appealable.

7 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
8 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

9 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or
10 waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
11 hearing.

12 DATED this 22nd day of June, 2011.

13
14 
15 MARC E. STERN
16 ADMINISTRATIVE LAW JUDGE

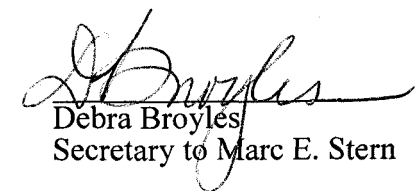
17 Copies of the foregoing mailed
18 this 22nd day of June, 2011 to:

19 Thomas Grapp, Vice President of Operations
20 CEDAR GROVE WATER, INC.
21 P.O. Box 1270
22 Show Low, AZ 85902-1270

23 Janice Alward, Chief Counsel
24 Legal Division
25 ARIZONA CORPORATION COMMISSION
26 1200 West Washington Street
27 Phoenix, AZ 85007

28 Steven M. Olea, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, AZ 85007

ARIZONA REPORTING SERVICE, INC.
2200 North Central Avenue, Suite 502
Phoenix, AZ 85004-1481

By: 
Debra Broyles
Secretary to Marc E. Stern